

AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1474

Introduced by Assembly Member Cook

February 27, 2009

~~An act to amend Section 18025 of the Health and Safety Code, relating to mobilehomes. An act to add Section 6376.4 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1474, as amended, Cook. ~~Mobilehomes: standards. Sales and use taxes: exemption: fixed price contract: mobilehome.~~

The Sales and Use Tax Law imposes a sales tax on a retailer measured by the gross receipts from the retail sale in this state of tangible personal property and a use tax on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state measured by sales price. Existing law increases the state sales and use tax rate on the sale of, and on the storage, use, or other consumption of, tangible personal property, by 1% to a rate of 7¹/₄% from April 1, 2009, until July 1, 2012, as provided.

The Sales and Use Tax law also provides that a person who is a retailer of mobilehomes, including manufactured homes, who sells a new mobilehome to a purchaser for occupancy as a residence shall pay use tax at the time of its sale to the purchaser, measured by an amount equal to 75% of the price the retailer paid for the new mobilehome.

This bill would provide that the 1% rate of tax increase does not apply to the gross receipts from the sale of a new mobilehome, or the sales

price of a new mobilehome sold or stored, used, or otherwise consumed in this state, if specified conditions are met.

This bill would take effect immediately as a tax levy.

~~Existing law prohibits, unless otherwise specified, a person from selling, offering for sale, renting, or leasing within the state, any manufactured home, mobilehome, commercial coach, or special purpose commercial coach manufactured after September 1, 1958, containing structural, fire safety, plumbing, heat-producing, or electrical systems and equipment unless the systems and equipment meet certain requirements of the Department of Housing and Community Development.~~

~~This bill would make a technical, nonsubstantive change to this provision of law.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 6376.4 is added to the Revenue and*
2 *Taxation Code, to read:*

3 *6376.4. There are exempted from the taxes imposed pursuant*
4 *to Sections 6051.7 and 6201.7 the gross receipts from the sale of*
5 *a new mobilehome, and the sales price of a new mobilehome*
6 *stored, used, or otherwise consumed in this state, if both of the*
7 *following conditions are met:*

8 *(a) The mobilehome is sold by a retailer to a purchaser under*
9 *the circumstances described in Section 6012.8 or 6012.9.*

10 *(b) The purchaser's contract for the purchase of the new*
11 *mobilehome from the retailer is entered into on or before February*
12 *20, 2009, and the sale to the purchaser occurs on or after April*
13 *1, 2009.*

14 *SEC. 2. This act provides for a tax levy within the meaning of*
15 *Article IV of the Constitution and shall go into immediate effect.*

16 ~~SECTION 1. Section 18025 of the Health and Safety Code is~~
17 ~~amended to read:~~

18 ~~18025. (a) Except as provided in subdivisions (b) and (c), it~~
19 ~~is unlawful for any person to sell, offer for sale, rent, or lease in~~
20 ~~this state, any manufactured home or any mobilehome, commercial~~
21 ~~coach, or special purpose commercial coach manufactured after~~
22 ~~September 1, 1958, containing structural, fire safety, plumbing,~~

1 ~~heat-producing, or electrical systems and equipment unless the~~
2 ~~systems and equipment meet the requirements of the department~~
3 ~~for those systems and that equipment and the installation of those~~
4 ~~systems and that equipment. The department may adopt rules and~~
5 ~~regulations that are reasonably consistent with recognized and~~
6 ~~accepted principles for structural, fire safety, plumbing,~~
7 ~~heat-producing, and electrical systems and equipment and~~
8 ~~installations, respectively, to protect the health and safety of the~~
9 ~~people of this state from dangers inherent in the use of substandard~~
10 ~~and unsafe structural, fire safety, plumbing, heat-producing, and~~
11 ~~electrical systems, equipment and installations.~~

12 ~~(b) All manufactured homes and mobilehomes manufactured~~
13 ~~on or after June 15, 1976, shall comply with the National~~
14 ~~Manufactured Housing Construction and Safety Standards Act of~~
15 ~~1974 (42 U.S.C. Sec. 5401 et seq.).~~

16 ~~(c) The sale of used manufactured homes and mobilehomes by~~
17 ~~an agent licensed pursuant to this part shall be subject to Section~~
18 ~~18046.~~